



APPLICATION TO CONVERT TO A TOTAL RETURN DISTRIBUTION METHOD INSTRUCTIONS

- 1) Application must be completed in full and executed by an authorized representative of the Applicant/Cemetery Authority.
- 2) The following documents must accompany the Application to Convert to a Total Return Distribution Method:
 - a) Written proof, by way of certificate or license, the Trustee meets the qualifications of La. R.S. 8:454(B) which states in part: *“a designated trustee shall be a federally insured financial institution or trust company located in Louisiana and authorized to exercise trust or fiduciary powers under the laws of Louisiana or the United States.”*
 - b) For trust funds established in accordance with La. R.S. 8:457, written proof the trustee or investment advisor managing the funds has sufficient knowledge and expertise related to total return investing and distributions. Please attach copies of all series or investment licenses.
 - c) A written and signed investment policy with investment goals to achieve principal growth through permissible investments pursuant to Title 8 for perpetual care trust funds and with a secondary goal of achieving current income. The investment policy shall include:
 - (i) Current investment asset class allocation ranges, with explanations of the role(s) each class of investment plays in the overall portfolio strategy, and how the asset allocation will assist the trustee in managing the fund according to the prudent investment investor rule.
 - d) A written and signed distribution policy establishing the total return percentage and initial estimated average fair market value, using the most recent month's end balances as the estimate for the current calendar year, signed by the cemetery authority or trustee.
 - e) Based on the written investment and distribution policies, a three (3) year projection for the fund, by year, of anticipated income, expense, and valuation calculations adjusted for inflation and changes in asset values that identify and consider the following:
 1. The projected fair market value of the fund;
 2. The projected growth of the fund, including consideration of tax obligations;
 3. The projected contributions to the corpus of the trust;
 4. The projected expenses to the trust; and
 5. The projected annual total return distribution amount for the care and maintenance of the cemetery.
 - f) A signed amended perpetual care trust agreement that clearly states the selection of the total return distribution method.
 - g) Application fee in the amount of one thousand five hundred dollars (\$1,500.00). Please make check or money order payable to the Louisiana Cemetery Board.
- 3) Pursuant to La. R.S. 8:454.2(D)(2), there shall be submitted to the Board such additional information and/or documentation the Board may deem necessary.

IMPORTANT: Once approved by the board, the distribution method and the total return distribution rate shall remain in effect unless the cemetery authority notifies the trustee of its desire to effect a change, provides an application for such change to the board, and provides copies of such documentation to the trustee. In the event that the trustee does not receive written instructions from the cemetery authority informing the trustee of the distribution method chosen, the trustee shall calculate and distribute based on the net income distribution method.

IF YOU HAVE ANY QUESTIONS REGARDING THE PREPARATION OF THE APPLICATION TO CONVERT TO TOTAL RETURN DISTRIBUTION METHOD, PLEASE CONTACT THE OFFICE OF THE BOARD AT THE ADDRESS OR TELEPHONE NUMBER LISTED BELOW.

THIS APPLICATION AND ATTACHMENTS ARE PUBLIC RECORD EXCEPT TO THE EXTENT THEY ARE EXCEPTED, EXEMPTED, OR LIMITED BY LAW; AND THEY WILL BE FURNISHED TO PERSONS, FIRMS, ASSOCIATIONS, CORPORATIONS, ETC., MAKING A WRITTEN PUBLIC RECORDS REQUEST PURSUANT TO TITLE 44. IF APPLICANT CONSIDERS ANY SUBMISSIONS OF INFORMATION CONFIDENTIAL AND EXCEPTED, EXEMPTED OR LIMITED BY LAW, PLEASE MARK SAME ACCORDINGLY.

**Louisiana Cemetery Board
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